GOVERNMENT OF INDIA
CORPORATE AFFAIRS
LOK SABHA

UNSTARRED QUESTION NO:4692
ANSWERED ON:25.04.2008
MRTPC INQUIRY INTO CARTEL OF CHEMISTS
Gaikwad Shri Eknath Mahadeo;Yadav Shri Anirudh Prasad (Sadhu);Yaskhi Shri Madhu Goud

Will the Minister of CORPORATE AFFAIRS be pleased to state:

(a) whether the Monopolies and Restrictive Trade Practices Commission (MRTPC) has conducted an inquiry into a 'cartel' formed by chemists and wholesalers who are pushing drug makers to stop selling to big retail chains and also depriving the consumers a genuine 10 per cent discount often offered by retail chains;

(b) if so, whether the Government has received the inquiry report;

(c) if so, the outcome thereof;

(d) the action taken against the guilty persons; and

(e) the steps taken by the Government to stop such practice in future?

Answer

THE MINISTER OF CORPORATE AFFAIRS (SHRI PREM CHAND GUPTA)

(a) (b) (c) & (d) Following some reports in the media, the Monopolies and Restrictive Trade Practices Commission (MRTPC) has directed the Director General (Investigation & Registration) to conduct an investigation into certain practices allegedly resorted to by chemists and wholesalers that may have the effect of drug makers not selling to big retail chains, and to file Preliminary Investigation Report. The Preliminary Investigation Report is awaited.

(e) Being a quasi judicial body, the MRTP Commission would adjudicate on the cases in process before it and after completion of the relevant proceedings, make orders as it deems fit on such practices as it finds violative of the provisions of the Monopolies and Restrictive Trade Practices Act, 1969.